

P.O. Box 13127 Austin, Texas 78711-3127 (512) 206-3333 www.tabc.texas.gov

August 7, 2020

TABC Executive Director's Letter to Alcoholic Beverage Industry

This August marks my third anniversary as executive director of the Texas Alcoholic Beverage Commission. When I arrived, there were a number of challenges to address, particularly the agency's relationship with the alcoholic beverage industry. Since then, I've made it one of my top priorities to engage industry members, regain their trust and change the way the agency interacts with businesses. Three years later, I'm proud to say that TABC has made remarkable progress toward that goal.

Then COVID-19 hit and our worlds were turned upside down. Businesses were forced to change their operations, and many had to shut down. Since then, Texas has gone through various phases of reopenings and closures. As public health restrictions have changed during this pandemic, the TABC team and I have worked diligently with industry members, legislators and members of the Governor's Strike Force to Open Texas to assist the more-than 56,000 businesses affected by this pandemic.

Under the governor's Executive Order GA-28, which currently determines how businesses may operate, restaurants are open for limited-capacity seating and bars, which derive 51% or more of their revenue from the sale of alcohol for on-premise consumption, are closed. TABC worked with all stakeholders to develop guidance that allows businesses to qualify as a restaurant under GA-28. This has resulted in more businesses — including breweries, wineries and distilleries — being able to open up while still complying with the executive order.

It's one of many examples demonstrating how the agency has been working with industry since the beginning of this disaster to find ways for businesses to operate safely. TABC has also recently released guidance for businesses that wish to expand their licensed premises outdoors so they can safely accommodate more customers under the guidelines established by Gov. Abbott's executive order.

While progress has been made, many challenges remain. The biggest challenge I see lies with industry members who choose to operate in violation of the governor's executive order. Recently we have spoken with business owners who tell us they don't intend to follow the orders. On that note, I want to remind every member of this industry that it is a privilege to be in the alcoholic beverage business in Texas. Not everyone who wants to be in this industry qualifies to do so under the strict requirements imposed by the Alcoholic Beverage Code. Once in business, the Texas Legislature has chosen to regulate this industry to protect the health and safety of our fellow Texans.

Furthermore, the governor's executive order is the current law of the state, and TABC will enforce it, as will other state and local government entities. When a business tells TABC it doesn't intend to follow these orders, you leave the agency with no option but to revoke your license and shut you down.

As a license holder, it is your responsibility to follow the Alcoholic Beverage Code, TABC's Administrative Rules and all other state laws — including executive orders.

I believe the vast majority of TABC's license and permit holders are acting in good faith, trying to run honest businesses, and are valued members of their communities. I call on all businesses to act in this manner. TABC will gladly work with you if you are working toward voluntary compliance. If you have questions about whether you can reopen safely, please contact us.

TABC agents will be out in communities across Texas this weekend, just like every other weekend, enforcing the law. Ensure your patrons are complying with social distancing and face mask requirements. While TABC is here to help, we have no tolerance for licensees who are in violation.

Sincerely,

A. Bentley Nettles Executive Director

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